

SURFACE USE PLAN
FOR
DRILLING, COMPLETING AND PRODUCING

STEVE SELL
WELL #1 CORBIN FEDERAL
2310' FSL & 2310' FEL SEC. 9-18S-33E
LEA COUNTY, NEW MEXICO

LOCATED: 10 air miles southeast of Maljamar, NM.
30 air miles west-northwest of Hobbs, NM.

OIL & GAS LEASE: Ten-year Renewal Lease L.C. 029489(a) was
issued effective 12-1-81.

ACRES IN LEASE: 320

RECORD LESSEE: Cities Service Oil & Gas Corp.

OPERATOR'S AUTHORITY: Steve Sell has purchased oil and gas rights
to 5000' in the SE $\frac{1}{4}$ 9-18S-33E from Leo R. Sutton.

BOND COVERAGE: \$10,000 lease bond is being submitted by
Steve Sell.

SURFACE OWNER: U. S. Government with grazing permit issued to
Gary Caviness, East Star Route, Maljamar, NM
88264. Phone 676-4201

POOL: Central Corbin--Queen Oil Pool

WELL SPACING: 40 acres.

EXHIBITS:

- A. Area Road Map
- B. Topographic Map
- C. Oil & Gas Map
- D. Sketch of Well Pad

ROAD LOG (STATE HIGHWAY #529 TO STEVE SELL'S #1 CORBIN FEDERAL WELL)

STARTING POINT is on State Highway #529 at a NE-SW crossroad at Milepost-14.6. This point is approximately $32\frac{1}{2}$ miles west-northwest of Hobbs, NM and $34\frac{1}{2}$ miles east-southeast of Artesia, NM.

- 0.00 Exit NM-529 to the southwest on old water pipeline road and proceed in a southwesterly direction for a distance of 0.86 mile to a west sideroad.
- 0.86 Turn right (west) on old gravel pit road and proceed in a westerly direction for a distance of 0.91 mile to the east side of the proposed well pad.
- 1.77 PROPOSED DRILLSITE (NW-NW-SE 9-18S-33E)

THIRTEEN POINT PROGRAM

- 1. EXISTING ROADS: Existing roads, which lead to the proposed drillsite, are shown on Exhibits "A" & "B".
- 2. PROPOSED NEW ROAD: No new road will be required. The well pad will extend to the existing access road.
- 3. LOCATION OF EXISTING WELLS: Existing wells in the vicinity of the proposed drillsite are shown on Exhibit "C".
- 4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:
 - A. This is a producing lease and each well has separate production facilities.
 - B. If the well is productive, a separate tank battery will be located on the well pad.
 - C. If electric power is needed for this well, an electric line will be constructed from Well #4 Corbin Federal to the proposed well. As the 400' x 400' archaeologized area is only 182' from Well #4, all new poles will be located within the 400' x 400' area. The proposed electric line will be owned by the operator, who will construct, maintain and remove it when it is no longer needed.

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5. LOCATION AND TYPE OF WATER SUPPLY: It is not planned to drill a water supply well. Water for leasehold operations will be purchased, and piped or hauled to the location.
6. SOURCE OF CONSTRUCTION MATERIALS: Materials needed for construction of the proposed well pad will be obtained from an existing pit located on fee land in the S $\frac{1}{2}$ NE $\frac{1}{4}$ of Sec. 9-18S-33E.
7. METHODS OF HANDLING WASTE DISPOSAL:
 - A. Drill cuttings will be disposed of in the drilling pits.
 - B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
 - C. Water produced during tests will be disposed of in the drilling pits.
 - D. Oil produced during tests will be stored in test tanks until sold.
 - E. Trash, waste paper, garbage, and junk will be buried in a trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind. Location of the trash pit is shown on Exhibit "D".
 - F. All trash and debris will be buried or removed from the wellsite within 45 days after finishing drilling and/or completion operations.
8. ANCILLARY FACILITIES: None anticipated.
9. WELLSITE LAYOUT:
 - A. The wellsite has been surveyed and a 400' x 400' area has been staked and flagged.
 - B. The location gently slopes to the west. Surface material from the gravel pit which is located to the east of the proposed drill hole has been pushed upon the east side of the 400' x 400' area.
 - C. The dimensions and relative location of the drill pad, mud pit, and trash pit with respect to the well bore are shown on Exhibit "D". The well pad will be rotated 90° counterclockwise so that the pits will be on the west side, away from the gravel pit.
 - D. The well pad will be surfaced with gravel and/or caliche.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing condition as possible.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. After abandonment, all equipment, trash and junk will be removed and the location cleaned.

11. OTHER INFORMATION:

- A. Topography: The undisturbed wellsite is at an elevation of 3967 feet and is situated on the rolling sand hills of the Querecho Plains approximately $1\frac{1}{2}$ miles from the Caprock. Surface materials from the gravel pit have been pushed upon the east side of the 400' x 400' area.
- B. Soil: Top soil at the wellsite is sand interspersed with various gravels.
- C. Land Type & Use: The vicinity surrounding the drillsite is semi-arid rangeland and its primary use is for mining gravel, for the production of oil and gas, and for grazing.
- D. Flora: Vegetative cover is sparse. Flora consists primarily of mesquite and snakeweed interspersed with other semi-desert plants.
- E. Fauna: No wildlife was observed, however fauna for this type of habitat includes lizards, rabbits, snakes, rodents, coyotes, skunks, quail, dove and other small birds.
- F. Ponds & Streams: There are several ponds in the bottom of the gravel pits to the east.
- G. Water Wells: Nearest water well is $\frac{1}{4}$ mile to the northeast.
- H. Residences & Other Structures: Nearest occupied dwelling is one mile to the northeast.
- I. Archaeological, Historical & Cultural Sites: Dr. J. L. Haskell with New Mexico Archaeological Services, Inc. of Carlsbad, NM made an archaeological survey of the proposed drillsite on March 25, 1987 and has recommended that the proposed construction work be approved.

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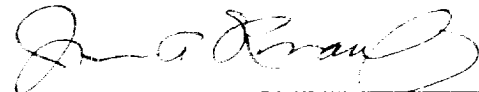
12. OPERATOR'S REPRESENTATIVE: Representative responsible for assuring compliance with the approved Surface Use Plan:

Gary Miller
Consultant
P. O. Box 10153
Midland, Texas 79702
Phone 915-682-4559

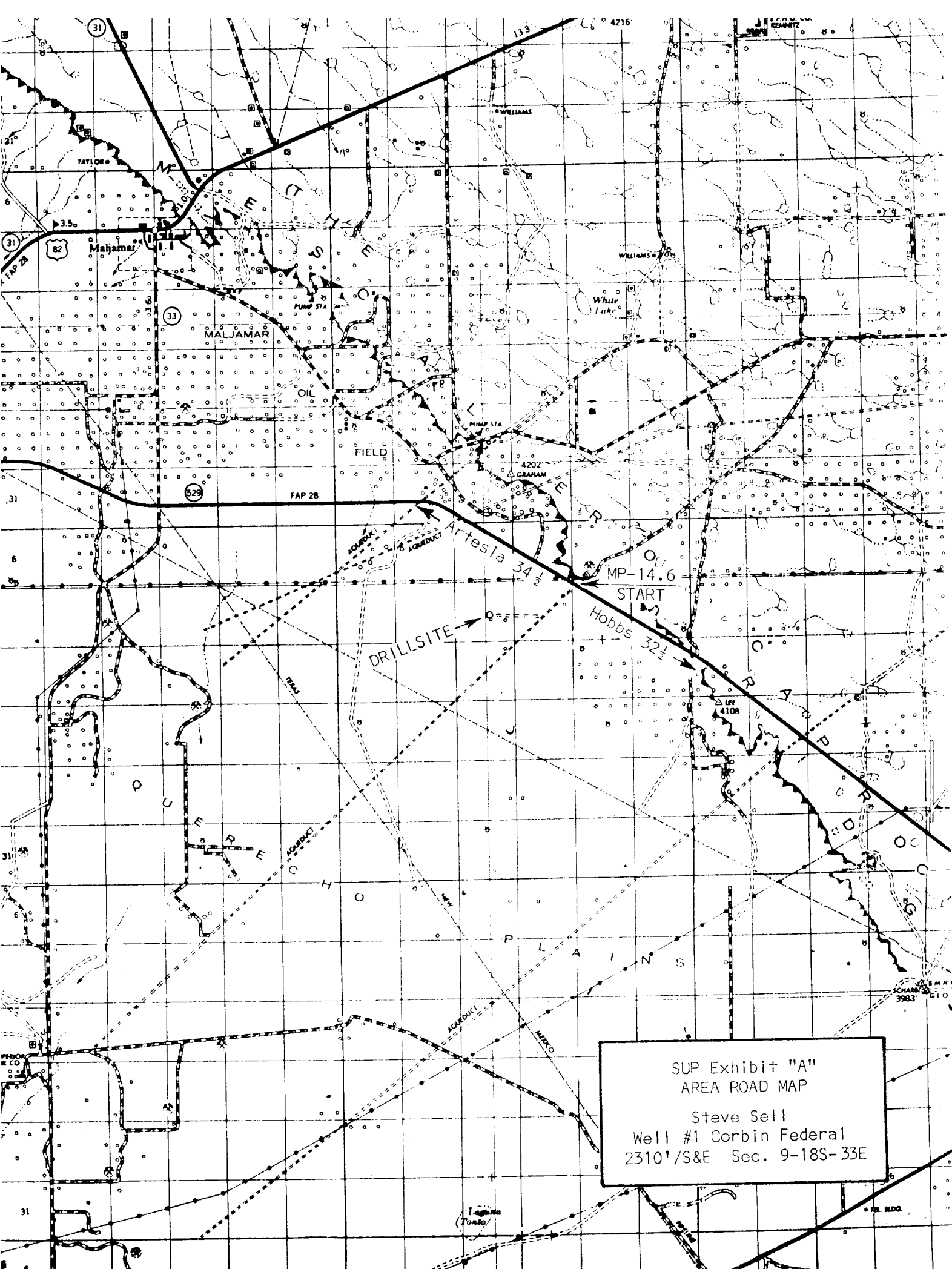
13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge true and correct; and, that the work associated with the operations proposed herein will be performed by STEVE SELL and his sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

March 27, 1987
Date

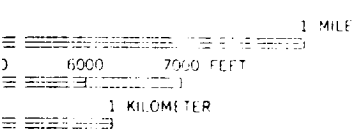
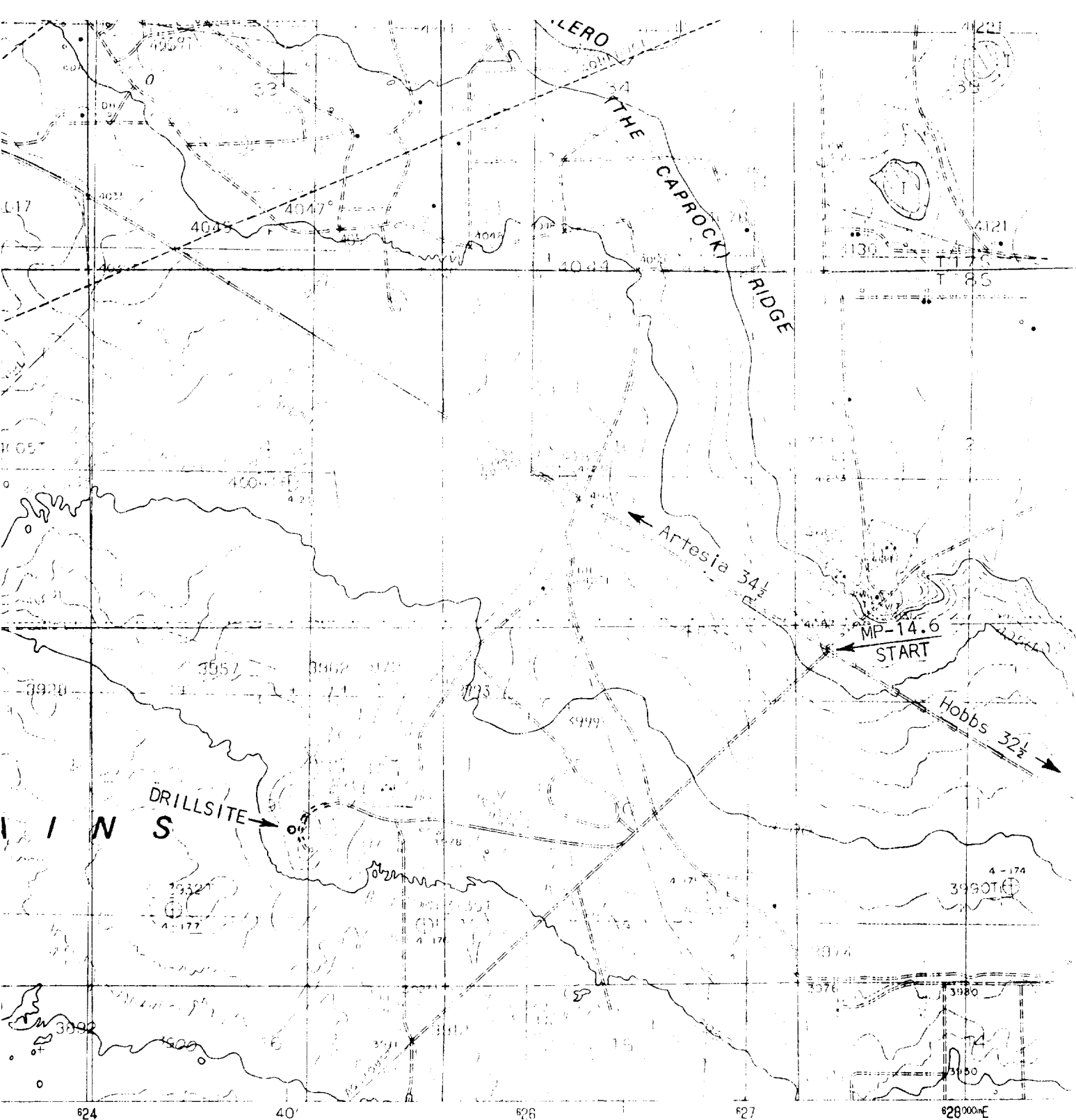


James A. Knauf, Agent
STEVE SELL



SUP Exhibit "A"
AREA ROAD MAP

Steve Sell
Well #1 Corbin Federal
2310'/S&E Sec. 9-18S-33E



NEW MEXICO

QUADRANGLE LOCATION

1	2	3	1 Maljamar NE
			2 Buckeye NW
4		5	3 Buckeye NE
			4 Maljamar
			5 Buckeye
			6 Greenwood Lake
6	7	8	7 Laguna Gatuna NW
			8 Ironhouse Well

ADJOINING 7.5 QUADRANGLE NAMES

ROAD LEGEND

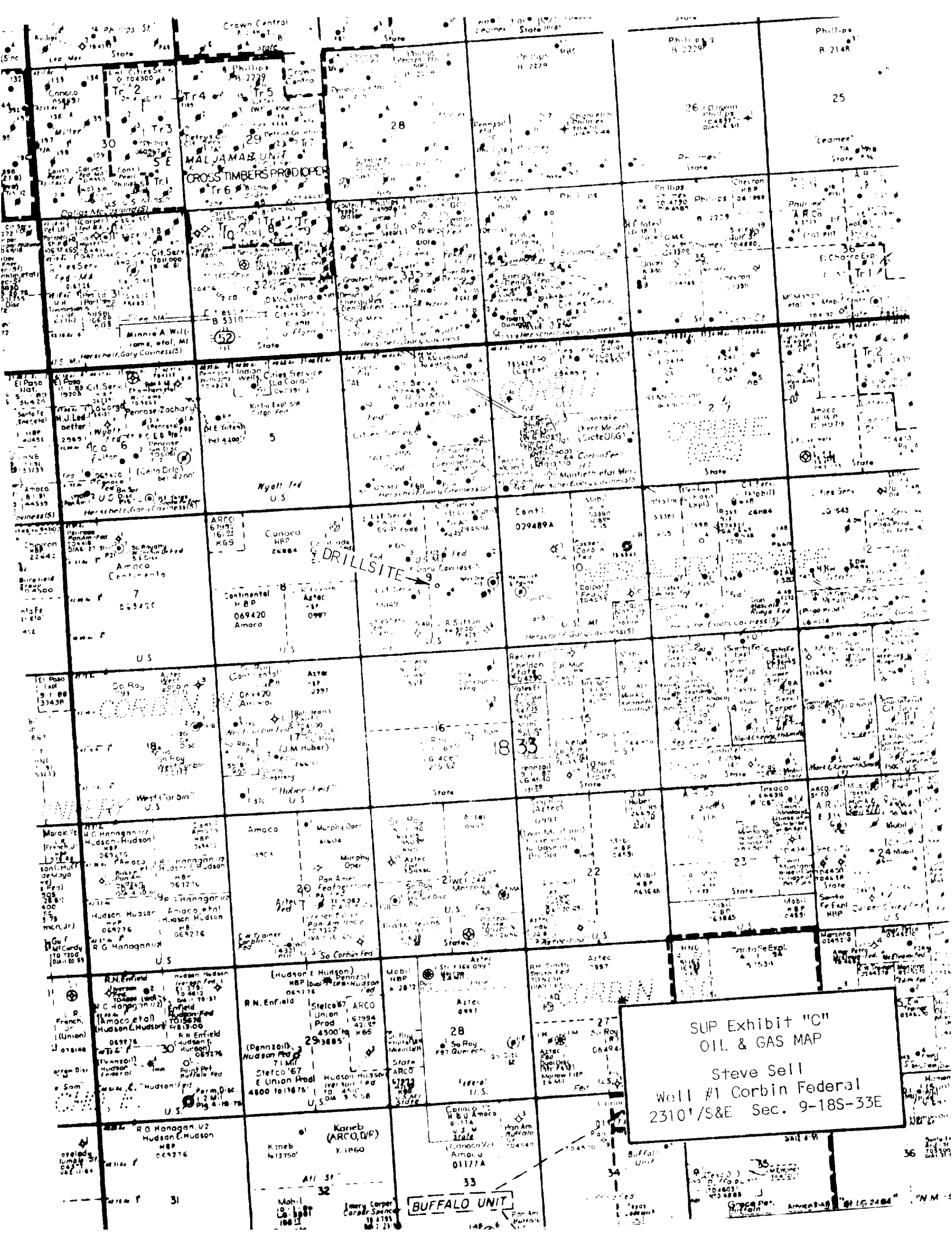
SUP Exhibit "B"
TOPOGRAPHIC MAP
Steve Sell
Well #1 Corbin Federal
2310'S&E Sec. 9-18S-33E

PROVISIONAL EDITION

32103-G6-TF-024

STANDARDS
COLORADO 80225

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SUP Exhibit "C"
OIL & GAS MAP
Steve Sell
Well #1 Corbin Federal
23101/S&E Sec. 9-18S-33E

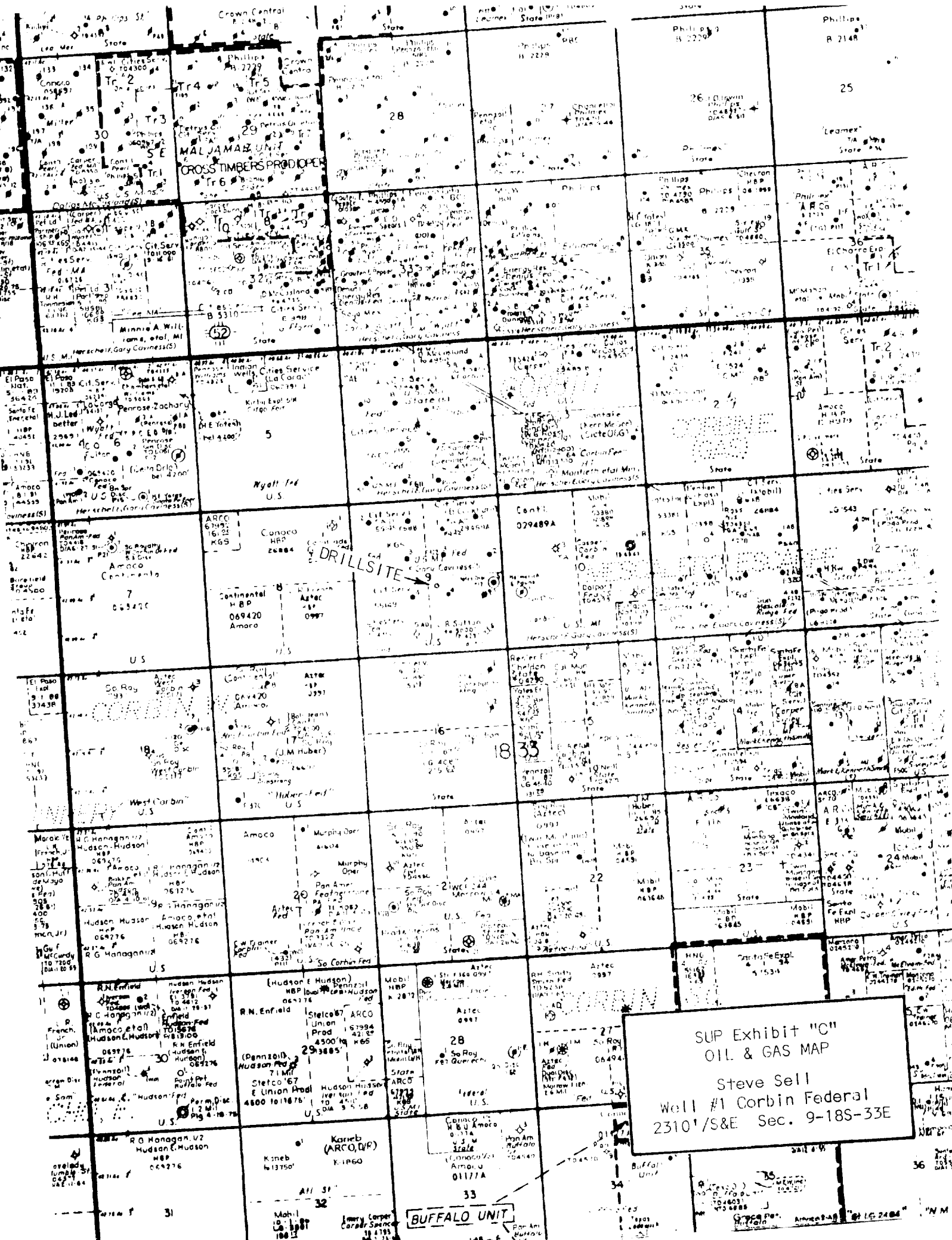
BUFFALO UNIT

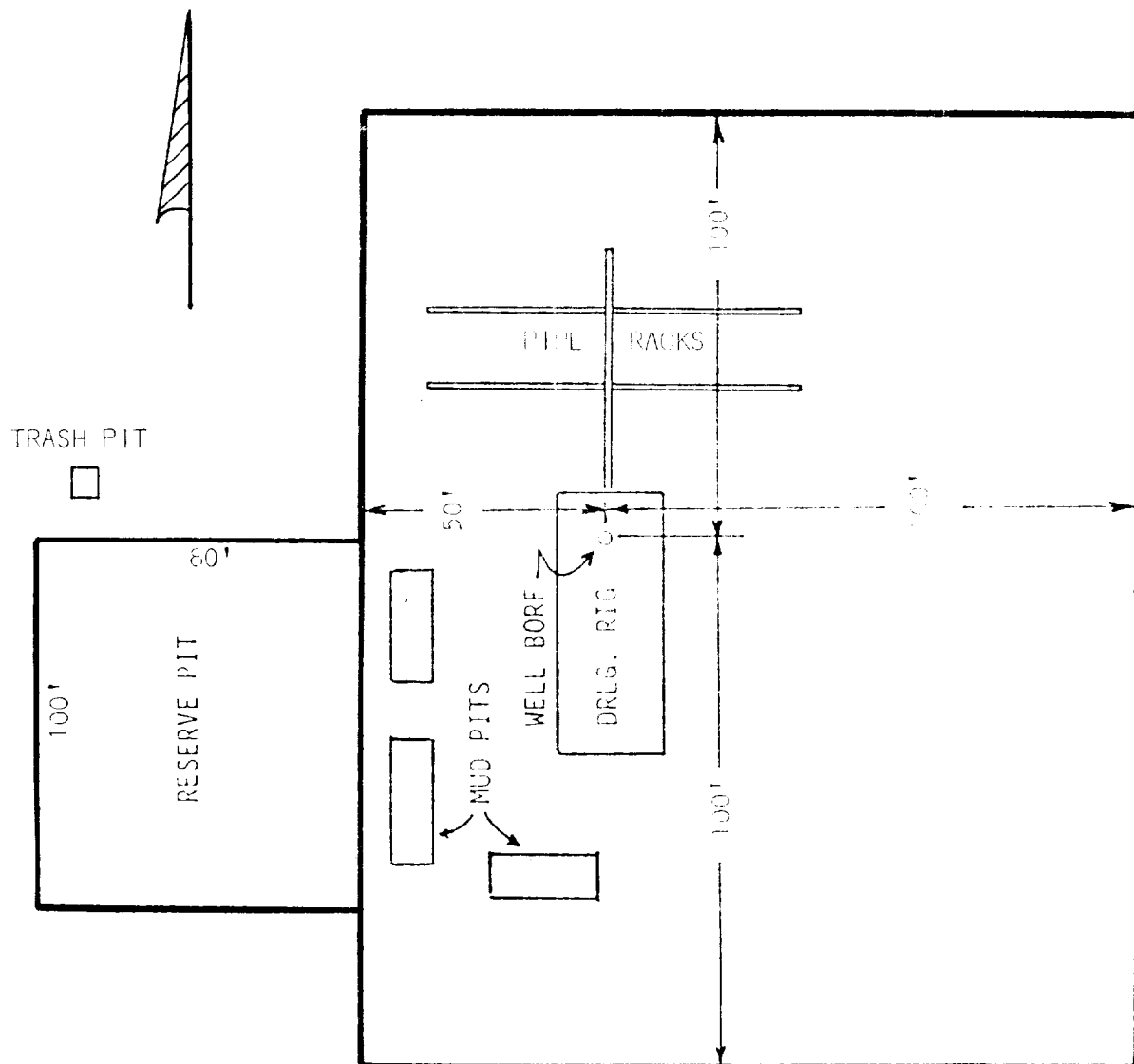
MALJAMAB UNIT
CROSS TIMBERS PRODUCTION

DRILLSITE

CORBIN

INLET





SUP Exhibit "D"
 SKETCH OF WELL PAD
 Steve Sell
 Well #1 Corbin Federal
 2310'/S&E Sec. 9-18S-33E

Track 6/22/87

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